

## 5 ECONOMIC DRIVERS OF DEMAND

5.01 Demographic changes within an area create the need for different levels and types of housing provision. However, the economic development of an area can be of equal importance in driving change in housing markets, especially due to the effect on migration. This section analyses the recent economic performance of High Peak and Derbyshire Dales against the county, regional and national benchmarks and examines the way in which the HPDD Sub-Area economy has influenced the demographic and socio-economic profile of the area.

5.02 It is important to highlight the reciprocal relationship between economic development and the provision of housing. While there is an obvious and established link between economic development and the requirement for housing, the type of housing provided within an area can also often play an equally central role in addressing and facilitating economic development and regeneration objectives.

### Key Points

- The 62,000 jobs in the HPDD Sub-Area are shared evenly between the two local authority districts (with some 13,700 of these jobs based in the National Park), with the two districts supporting a similar number of jobs to the majority of districts in the East Midlands
- The growth in the number of jobs between 1995 and 2004 was 4% (7% in Derbyshire Dales and 5% in High Peak), much lower than that recorded in Derbyshire, East Midlands and England, and growth in Growth Value Added was also much lower
- Four sectors – public administration/education/health, distribution/hotels/restaurants, manufacturing, and banking, account for 85% of employment
- Of the four key sectors, manufacturing has seen a reduction in employment of a quarter since 1995 (it is still a large employer compared to the national average, and employment reductions have had an acute impact in areas local to plant closures); in contrast the public administration, and distribution/hotels/catering sectors have all grown, with the business services sub sector showing especially rapid growth (in contrast to other rural economies)
- The geographical distribution of growth in the growth sectors has not been equal across the HPDD Sub-Area.
  - There has been higher absolute growth in distribution/hotels/restaurants in High Peak, though Derbyshire Dales has seen a high % growth from a lower base
  - Employment in public administration/education/health, has declined in High Peak, but grown in Derbyshire Dales
  - The growth in financial and business services has been similar in both local authority areas
- The economic activity rate in Derbyshire Dales (85%) is particularly high, pushing the overall rate for the HPDD Sub-Area over the Derbyshire (81%) and East Midlands (79%) average; however the rate for the National Park, at 69%, is notably lower than these benchmarks
- The high economic activity rate is reflected in a low unemployment rate for Derbyshire Dales, whilst the High Peak unemployment rate is around the county and regional average
- There have been similar proportionate decreases in unemployment in High Peak and Derbyshire, with the decline being less pronounced in Derbyshire Dales, given the

already low rate of unemployment. Unemployment is likely to rise over the next two years.

- There is a high concentration of managers and senior officials, and jobs of professional occupations in Derbyshire Dales, whilst High Peak has a higher concentration in skilled trade occupiers.
- Notably, High Peak also has a particularly high concentration of process, plant and machinery operatives (less than Derbyshire, but similar to East Midlands), and elementary occupations are over represented. Derbyshire Dales is also over represented with process, plant and machinery operatives compared to England. Read alongside the high figures for senior and professional occupations, this suggests some occupational dichotomy.
- Indeed, the high number of people in low skilled occupations is reflected in the high proportion of people whose journey to work is 2km or less (29%), compared with the England average of 23%
- Not surprising given the rural nature of the HPDD Sub-Area and its proximity to major conurbations, out commuting from the constituent areas is high (34% for Derbyshire Dales and 40% for High Peak), with the Greater Manchester sub region being a particular draw for High Peak residents (concurring with migration patterns and travel to work patterns highlighted in Section 3)
- This is reflected in above average commuting distances - 42% travel more than 10km to work, compared with 32% for England, and the difference is even more pronounced for those travelling over 20km. Notably, almost 50% of commuting distances from residences within the National Park are greater than 10km.
- There is a significant discrepancy between the earnings of those that live in the HPDD Sub-Area and those that work in the HPDD Sub-Area. This data, read alongside the data for commuting distances, suggests an occupational dichotomy within the HPDD Sub-Area, most pronounced in Derbyshire Dales, with the Sub-Area accommodating large numbers of both:
  - high earning residents (above the regional average) who commute above average distances to jobs outside of the HPDD Sub-Area,
  - low paid (below the regional average) residents travelling very short distances to their place of work, a significant proportion of whom are in elementary and plant operative occupations.
- Homeworking is relatively high in the HPDD Sub-Area, especially the more isolated Derbyshire Dales (14%) and National Park (19%), compared to 9% for England, Derbyshire and East Midlands. Homeworking is very likely to have increased since 2001 with the spread of broad band connectivity.
- A notably high level of economically inactive persons are owner occupiers compared to the county and regional averages, with the highest proportion being in the Peak District National Park, suggesting that the area attracts early retirees or those who do not need to work.

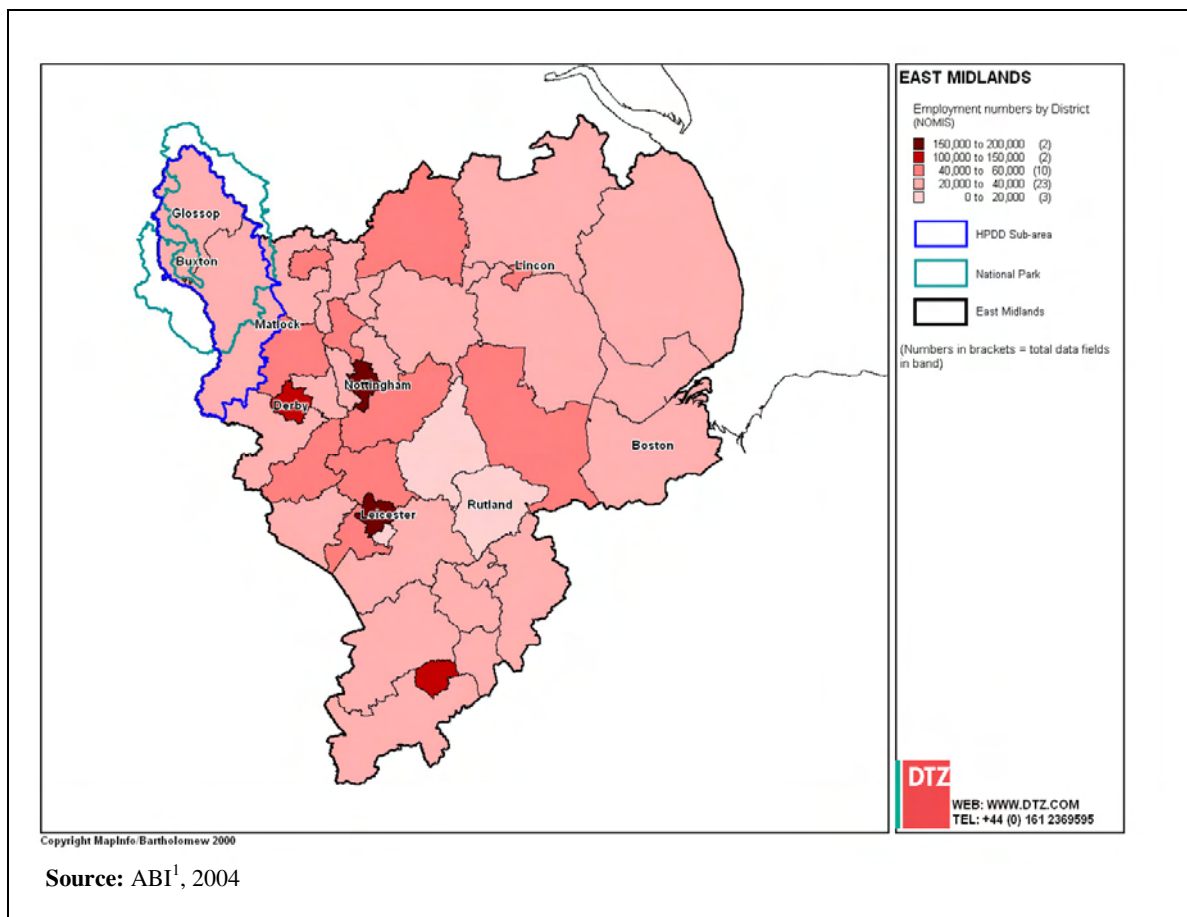
## Employment

5.03

According to the Annual Business Inquiry (2004) there were an estimated 62,000 jobs in the HPDD Sub-Area split evenly between the two districts. The 2004 National Park Business Survey estimated a total of 13,700 jobs in the entire National Park (including areas outside of the HPDD Sub-Area)

- 5.04 Figure 5.1 shows the number of jobs in each of the districts in the East Midlands. Employment is clearly concentrated within the cities of the region (Derby, Nottingham and Leicester) and Northampton. The map also illustrates that the majority of districts across the region have a similar level of employment to High Peak and Derbyshire Dales, although there are three districts with employment levels below 20,000 persons.
- 5.05 Although not illustrated on the map, the districts adjoining the HPDD Sub-Area that lie outside the East Midlands have high levels of employment.

**Figure 5.1: Spatial Distribution of Jobs**

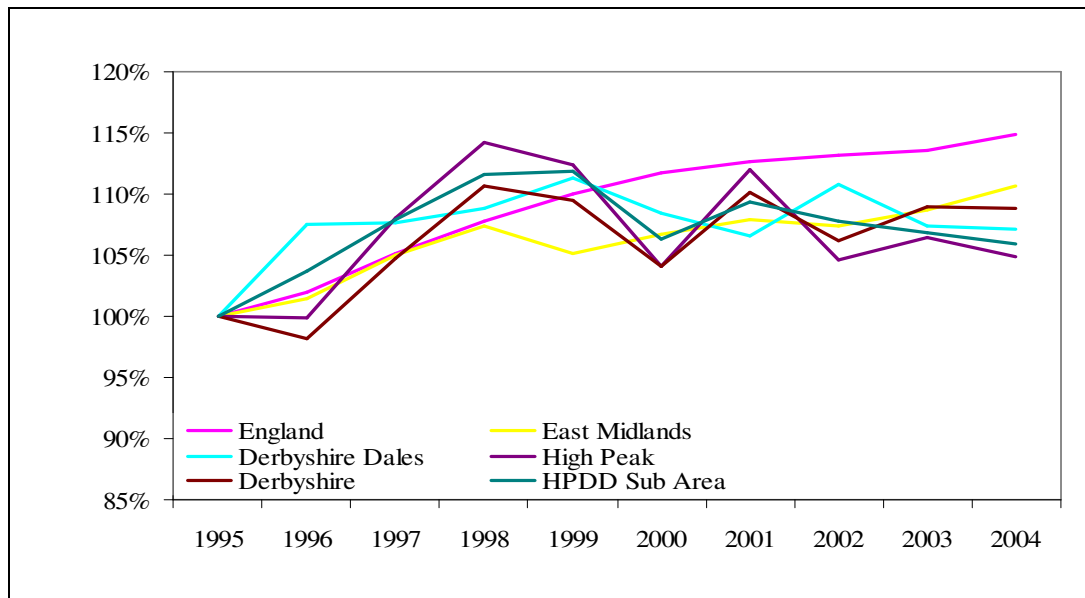


- 5.06 Figure 5.2 illustrates that the HPDD Sub-Area has experienced uneven employment growth between 1995 and 2004, mirroring the experience of Derbyshire as a whole. This erratic annual employment change is common when considering district level data and it is more appropriate to consider trends observed over a number of years. There appear to be two notably different periods of employment change within the HPDD Sub-Area – 1995-99 and 1999-2004.
- 5.07 The HPDD Sub-Area experienced steady increases amounting to a net growth in employment of 10% between 1995 and 1999 (5,900 jobs). However, following 1999 employment in the HPDD Sub-Area has declined and in 2004 was only 5% higher than it was in 1995 (approximately 2,700 people). Employment declines within the HPDD Sub-Area between 1999-2004 amounts to a decline of some 3,200 jobs, virtually all of which can be attributed to declines within the manufacturing sector.

<sup>1</sup> The ABI (Annual Business Inquiry) measure of employment measures the number of employment positions within a given location.

5.08 Table 5.1 shows that change over the period 1995-2004 was similar in both High Peak and Derbyshire Dales. Whilst Derbyshire Dales performed slightly better than High Peak, both areas performed poorly in comparison to the Derbyshire and East Midland benchmarks, which in turn were poor in comparison to the growth in jobs in England as a whole.

**Figure 5.2: Indexed Employment Growth, 1995-2004 (1995 = 100)**



Source: ABI

**Table 5.1: Employment Change, 1995-2004**

	1995	2004	Absolute Change	% Change
<b>High Peak*</b>	29,300	30,300	1,000	3%
<b>Derbyshire Dales*</b>	29,200	30,800	1,600	6%
<b>HPDD Sub-Area *</b>	58,500	61,100	2,600	4%
<b>Derbyshire</b>	341,800	384,700	42,900	13%
<b>East Midlands</b>	1,631,800	1,804,800	173,000	11%
<b>England</b>	19,625,200	22,532,800	2,907,600	15%
<b>PDNPA</b>		13,700		

\* These figures are aggregates from which agriculture class 0100 is not included in the 1995 employment estimates. Therefore, total change excludes employment in agricultural class 0100

Source: ABI and National Park Business Survey

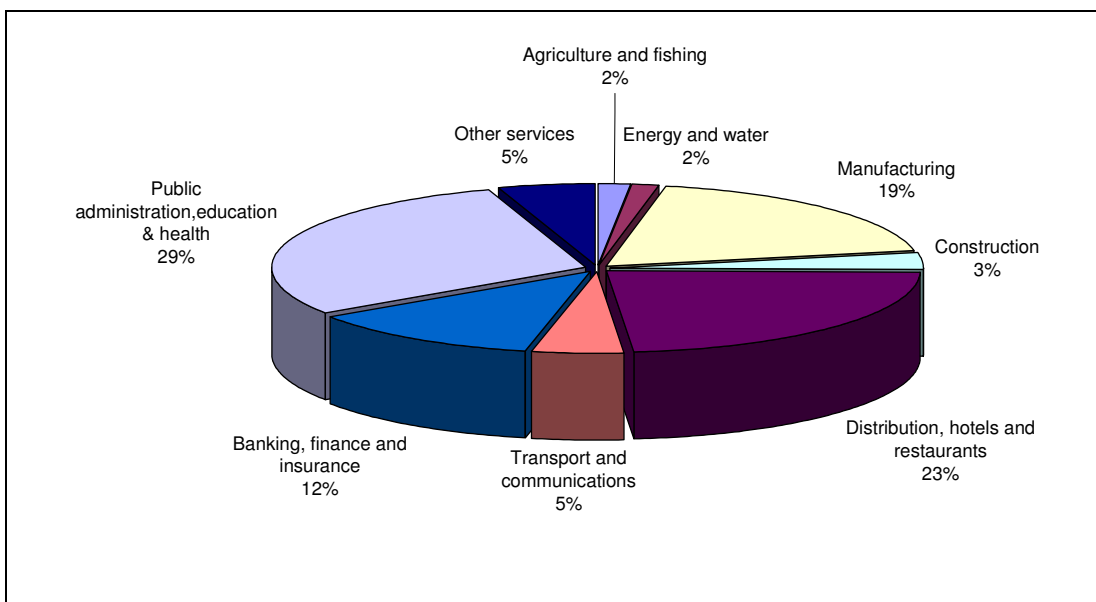
5.09 Figure 5.3 presents the sectoral breakdown of employment within the HPDD Sub-Area. The four major industries in the HPDD Sub-Area are public administration, education and health (29%), distribution, hotels and restaurants (23%), manufacturing (19%) and banking, finance and insurance (12%). These four industries account for approximately 85% of the employment within the HPDD Sub-Area in 2004.

5.10 Table 5.2 illustrates the employment changes experienced by each of the broad sectors of the economy in the HPDD Sub-Area. A key issue for assessing the changes in employment for the HPDD Sub-Area, as with other areas that have large rural areas, is the

limitations of the information available for employment within the agricultural sector. The 1995 local authority employment estimates for the sector exclude a significant proportion of agricultural employment, which in 2004, according to the ABI account for only 800 jobs. This is partly accounted for by the fact that the ABI is a measure of employees in employment and excludes the self-employed. Many people in the agricultural sector are self-employed. Across the East Midlands as a whole, ABI data indicates that employment in the agricultural sector has declined by around 12% since 1995 and in the absence of lower level data, it is reasonable to assume that the sector in the HPDD area has suffered a similar decline. It should, however, be noted that in relative terms agriculture is a small employer, representing only 2% of total employment in the HPDD Sub-Area (although this is double the national average).

- 5.11 Although the manufacturing sector has seen a reduction in employment of 24% since 1995, it is still one of the largest employers in the HPDD Sub-Area, accounting for almost a fifth of all jobs. The declines in manufacturing in rural areas generally have significant localised impacts, as they usually come about as a result of closures of relatively large local employers. As elsewhere, the jobs lost within these sectors are often relatively well paid and the growth in jobs in other parts of the economy does not necessarily directly replace those lost.
- 5.12 The business services sector has experienced a significant increase in employment of 33%. This is in marked contrast with other rural economies that have not witnessed the same extent of growth within the sector. Many of these firms within the financial and business services sector tend to locate within cities and large towns. However, rural areas close to major cities also experience growth in these sectors. Well qualified people decide to work close to where they live and service clients in nearby cities or further afield, a pattern made possible by the expansion of broadband internet connections. Growth in this sector also includes more localised activities such as estate agents.
- 5.13 The two other large employment sectors – public administration and distribution, hotels and catering have also experienced significant growth of 11% and 16% respectively.

**Figure 5.3: HPDD Sub-Area - Employment by Broad Sector, 2004**



Source: ABI

**Table 5.2 Employment by Industrial Sector (2004 Workplace based)**

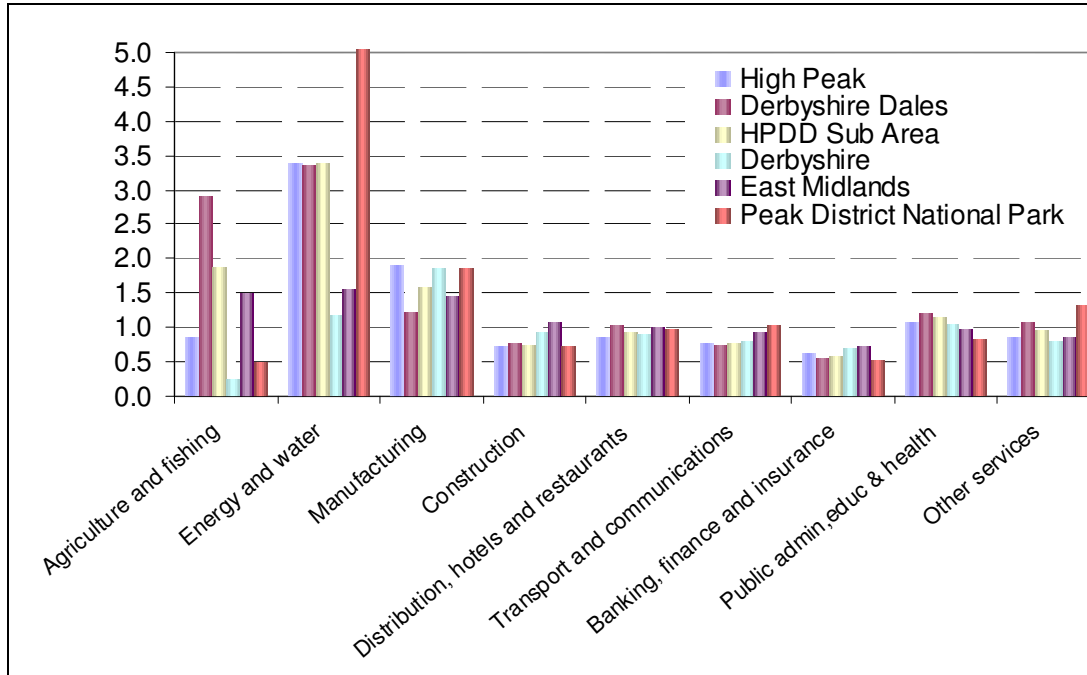
	1995	2004	Absolute Change	% Change
Agriculture and fishing	100*	200	100	47%
<i>Agricultural Class 0100)</i>	-	800	*	*
Energy and water	1,600	1,000	-500	-34%
Manufacturing	15,400	11,600	-3,700	-24%
Construction	1,900	2,100	100	7%
Distribution, hotels and restaurants	12,500	14,500	2,000	16%
Transport and communications	2,400	2,900	500	23%
Banking, finance and insurance, etc	5,700	7,500	1,800	33%
Public administration, education & health	16,500	18,300	1,900	11%
Other services	2,600	3,100	500	20%
<b>Total</b>	<b>58,500*</b>	<b>62,000</b>	<b>2,700</b>	<b>5%</b>

\*These figures are aggregates from which agriculture class 0100 are not included in the 1995 employment estimates. Therefore total change excludes employment in agricultural class 0100  
Source: ABI

- 5.14 Whilst Figure 5.4 (below) shows that manufacturing employment in the HPDD Sub-Area is below the Derbyshire average, it remains above the East Midlands average. Indeed Figure 5.3 and Table 5.2 demonstrate its importance within the HPDD Sub-Area.
- 5.15 Derbyshire Dales is dominated by the sectors of distribution, hotels and restaurants and public administration and health, accounting for approximately 57% of the employees in 2004. Since 1994, distribution, hotels and restaurants have gained a considerable number of employees, experiencing 28% growth, whilst public administration and health has seen a fall in employees by 3%. Banking, finance and insurance and manufacturing are also quite strong accounting for 26% of all employees. Since 1995, banking finance and insurance has increased its employee numbers by 30%, whilst manufacturing has seen a fall in employee numbers by 19%.
- 5.16 High Peak has a high proportion of employment within the manufacturing sector (almost double the England average) though at 23% it is similar to the Derbyshire average. The level of employment in the manufacturing sector remains high despite a 27% decline between 1995-2004. Employment is also significant in distribution, hotels and restaurants and public administration and health, accounting for approximately half of all employment. Both of these sectors have seen higher growth rates than in Derbyshire Dales.
- 5.17 The employment sectors represented in the National Park area are remarkably similar to benchmark areas (although at 5% of total employment, energy and water provide a significantly higher proportion of employment than elsewhere). Manufacturing, distribution, hotels and restaurants and public administration and health are all large employment sectors accounting for 68% of all employment.
- 5.18 Employment data by broad sector is presented as a location quotient in Figure 5.4, which allows a comparison to be made of the relative concentrations in the employment base between the benchmark areas. Location quotients identify the relative concentration of each occupation type compared with the average for England as a whole for each area. A score greater than one indicates a relative concentration of employment, and a score less than one represents a relative scarcity of employment for the occupation type.
- 5.19 Figure 5.4 reveals the similarities and differences between the employment bases of the different benchmark areas. Compared with England, the HPDD Sub-Area has a high

proportion of employees in agriculture and fishing, energy and water and manufacturing. The Derbyshire Dales has a stronger agriculture sector whilst manufacturing is slightly stronger in the High Peak area. Although banking, insurance and finance are strong in both the High Peak and the Derbyshire Dales, compared to England there are a lower number of employees in these industries.

**Figure 5.4: Location Quotient Employment by Broad Sector compared to England, 2004<sup>2</sup>**



Source: ABI

5.20

Table 5.3 shows the HPDD Sub-Area has had substantial reductions in the number of employees in the energy and water and manufacturing industries between 1995 and 2004. However, this is the general pattern throughout England. The HPDD Sub-Area has had a relatively low rate of employment growth of 6%, less than half the growth achieved by Derbyshire and England. Table 5.4 shows the growth rate of 6% in the HPDD Sub-Area has yielded an increase in the 2,700 jobs. The increase is fairly similar for both the Derbyshire Dales and High Peak.

<sup>2</sup> Note: National Park ABI Data is based on wards that are located within the National Park and the HPDD Sub-Area

**Table 5.3 Employment Change by Industrial Sector (1995-2004)**

	High Peak	Derbyshire Dales	HPDD Sub-Area	Derbyshire	East Midlands	England
Agriculture and fishing	*	*	*	*	-13%	-18%
Energy and water	-28%	-38%	-34%	-45%	-28%	-38%
Manufacturing	-27%	-19%	-24%	-15%	-24%	-23%
Construction	18%	-2%	7%	19%	41%	37%
Distribution, hotels and restaurants	4%	28%	16%	15%	19%	20%
Transport and communications	35%	13%	23%	-7%	25%	15%
Banking, finance and insurance, etc	35%	30%	33%	45%	37%	29%
Public administration, education & health	33%	-3%	11%	34%	18%	24%
Other services	8%	30%	20%	26%	27%	26%
<b>Total</b>	<b>5%</b>	<b>7%</b>	<b>6%</b>	<b>13%</b>	<b>11%</b>	<b>15%</b>

Source: ABI

**Table 5.4 Employment Change by Industrial Sector 1995-2004 (Actual Change)**

	High Peak	Derbyshire Dales	HPDD Sub-Area	Derbyshire	East Midlands	England
Agriculture and fishing	*	*	*	*	-3,200	-40,500
Energy and water	-300	-200	-500	-1,813	-5,300	-68,300
Manufacturing	-1,100	-2,700	-3,700	-15,243	-97,000	-785,800
Construction	*	200	100	2,534	25,000	268,700
Distribution, hotels and restaurants	1,700	300	2,000	11,555	73,100	947,700
Transport and communications	200	400	500	-1,470	20,800	179,500
Banking, finance and insurance, etc	800	1,000	1,800	17,271	73,500	1,036,800
Public admin, education & health	-300	2,200	1,900	26,330	69,400	1,133,200
Other services	400	100	500	3,302	16,700	236,400
<b>Total</b>	<b>+1,500</b>	<b>+1,200</b>	<b>+2,700</b>	<b>+42,787</b>	<b>+173,000</b>	<b>+2,907,600</b>

Source: ABI

### Economic Activity and Unemployment

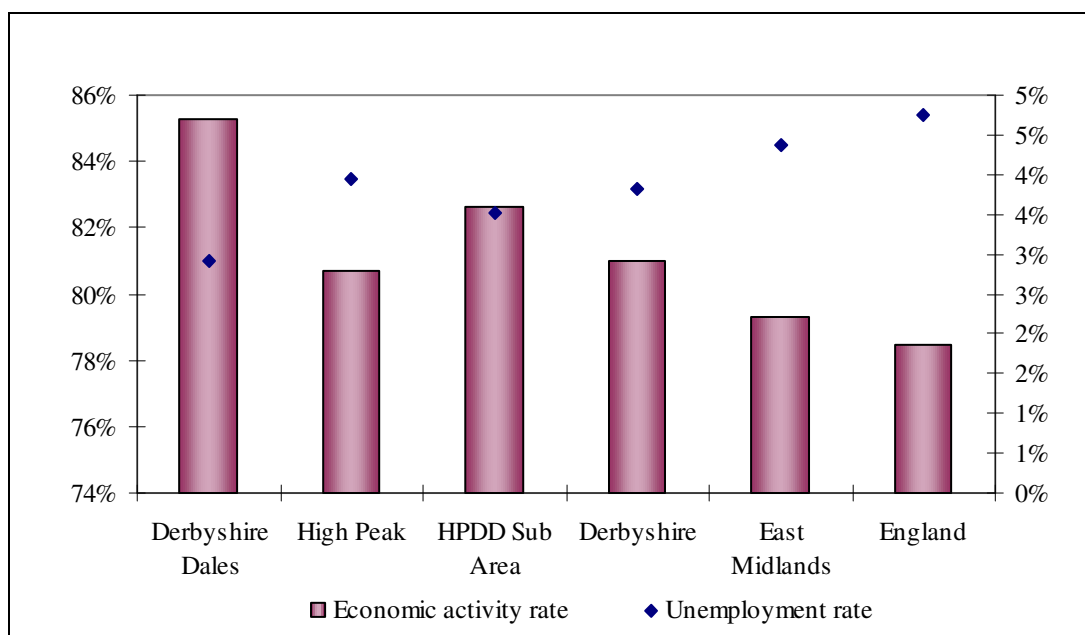
- 5.21 The analysis above provides an insight into the number of jobs and the employment structure within each of the benchmark areas. However, it is also important to understand how well the local workforce is engaged with the labour market in terms of the economic activity associated with those people who live in each of the sub-regions. Data from the Annual Population Survey provides information on economic activity rates, defined as the proportion of the working age population who are employed, self-employed, unemployed but available for work, or full time students. The Annual Population Survey also provides an insight into the unemployment level within an area.
- 5.22 Economic activity is a measure of the number of persons who are either working or actively seeking to work. Figure 5.5 shows that the 2005 economic activity rate in the East Midlands at (79.3%) which is slightly higher than the England average of 78.5%. However, the HPDD Sub-Area is significantly higher than these areas (82.6%). Derbyshire Dales in particular has a high economic activity rate (85.3%), with High Peak



being more aligned with the Derbyshire and East Midlands figure. A high level of economic activity suggests good accessibility to employment opportunities. Although calculated on a different basis (i.e. as a proportion of a larger section of the population), the economic activity rate in the National Park is estimated at 69% based on data from the 2001 Census.

- 5.23 At 4%, the unemployment rate in the HPDD Sub-Area is significantly lower than the benchmark areas, though it should be noted that this is driven by a very low level of unemployment in Derbyshire Dales (under 3.5%). Unemployment data for the National Park can be derived from the 2001 Census and, although, not directly comparable with the figures provided by NOMIS, a rate of 1.7% indicates that it is low by comparison to the other areas.

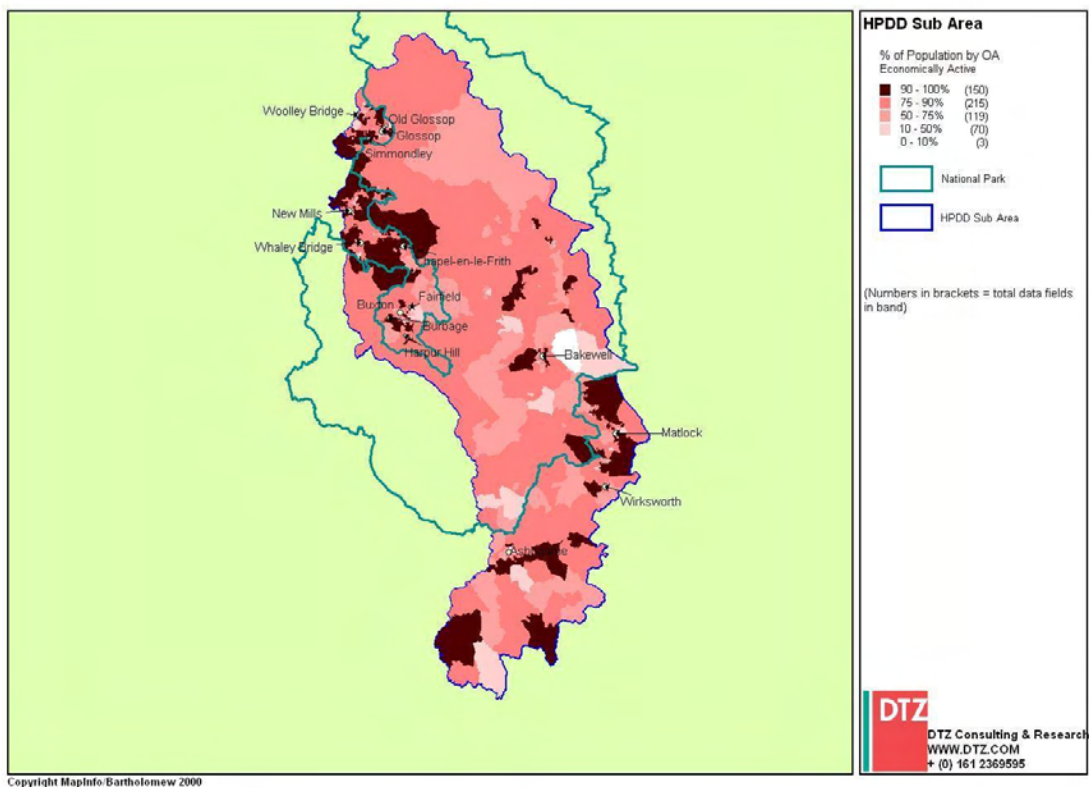
**Figure 5.5: Economic Activity Rate and Unemployment Rate, Working Age Population, 2005**



Source: NOMIS

- 5.24 Figure 5.6 illustrates the proportion of the working age population who are economically active at an output area level. The map clearly illustrates large areas across the HPDD Sub-Area that has high levels of economic activity. In contrast, the rest of Derbyshire has a much more uneven geographical distribution of economic activity. The northern and western parts of the HPDD Sub-Area has higher levels of economic activity, with only a limited number of areas that have activity rates below 70%, notably around the towns within the HPDD Sub-Area. Within the eastern and southern parts, unlike elsewhere, there are very few areas across the HPDD Sub-Area where economic activity levels fall below 50%.
- 5.25 The Travel to Work analysis undertaken in Chapter 2 demonstrates that the conurbations to the east and west of the HPDD Sub-Area provide significant employment opportunities for those living on the fringes of the HPDD Sub-Area. This results in higher levels of commuting around the areas that fringe the cities.
- 5.26 The distinct contrast with the remainder of Derbyshire highlights both the legacy of high levels of inactivity related to the former coal mining areas of North Derbyshire and also the higher levels of inactivity that are associated with cities and more urbanised areas.

**Figure 5.6 – Proportion of Working Age Population who are Economically Active in the Derbyshire Dales and High Peak**

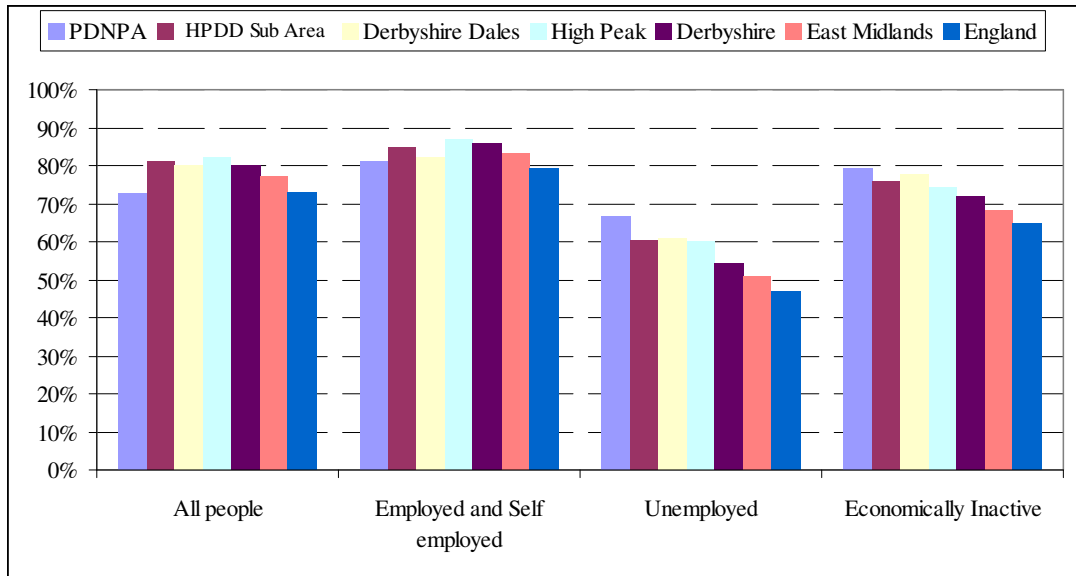


Source: NOMIS

- 5.27 Figures 5.7 and 5.8 present economic activity<sup>3</sup> levels by tenure. Figure 5.7 presents the level of owner occupation by economic activity. The figure illustrates that owner occupation is higher in the HPDD Sub-Area than in the benchmark areas overall, and also across each of the broad economic activity categories. As expected, the level of owner occupation is highest for those who are in employment, with a much lower proportion of the unemployed living in owner occupied dwellings.
- 5.28 Interestingly, the level of owner occupation for those in employment does not vary significantly across the benchmark areas. However, for both those who are either unemployed or economically inactive, the level of owner occupation is significantly higher in the HPDD Sub-Area than in the benchmark areas. The level of owner occupation is higher across all areas of economic inactivity, with the difference particularly marked for students and those inactive because they are looking after family.

<sup>3</sup> Full time students are shown as Economically Inactive within this context.

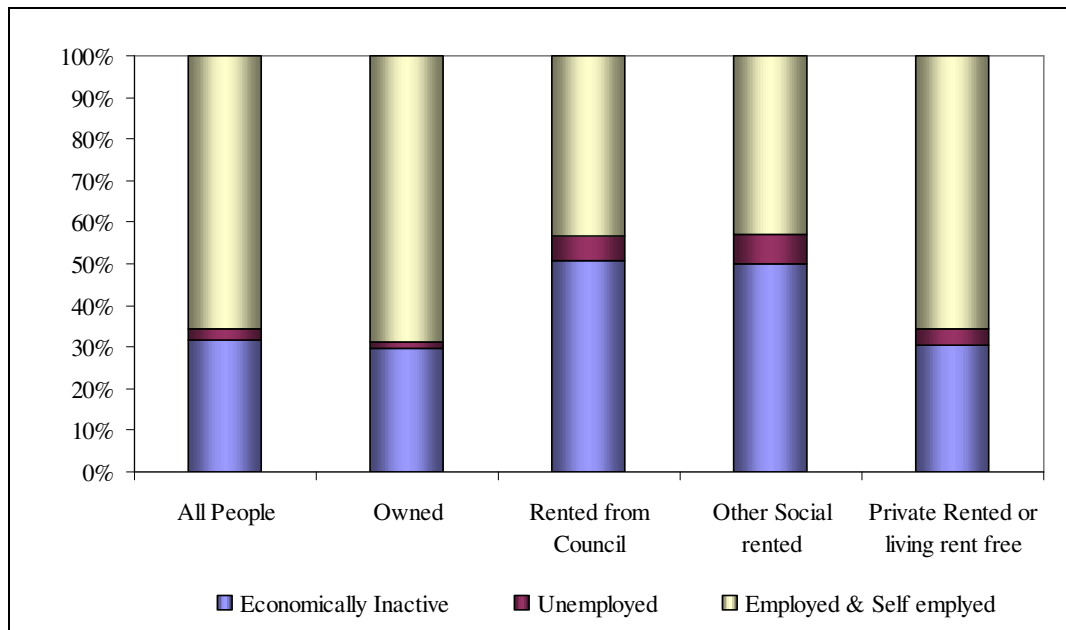
**Figure 5.7: Comparison of Owner Occupation Levels by Economic Activity**



Source: NOMIS

5.29 When considered by tenure, Figure 5.8 illustrates that unemployed people account for a relatively small proportion of occupiers across each of the tenure types. However, economically inactive persons represent around 30% of those living in owner occupied accommodation and over 50% of people living in social rented accommodation. Figure 5.8 clearly shows an individual is more likely to be economically inactive if they are in social accommodation, which is as expected.

**Figure 5.8: Economic Activity in the HPDD Sub-Area by Tenure**



Source: Census 2001

**Table 5.5: HPDD Sub-Area Economic Activity by Tenure**

Peak Sub Region	All People	Owned	Rented from Council	Other Social rented	Private Rented or living rent free
All People	113757	92497	9585	1626	10038
Employee	54%	56%	40%	38%	52%
Self employed	11%	12%	3%	5%	14%
Unemployed	2%	2%	6%	7%	4%
Full-time student	2%	2%	1%	2%	2%
Retired	15%	15%	20%	14%	10%
Student	3%	3%	3%	4%	3%
Looking after home/family	5%	5%	10%	12%	7%
Permanently sick or disabled	4%	3%	11%	13%	6%
Other	2%	2%	4%	5%	3%

Source: Census 2001

5.30 Table 5.6 shows how unemployment numbers have changed between 1991 and 2001. The HPDD Sub-Area has experienced a reduction in unemployment by approximately 35%, a similar pattern to Derbyshire and the East Midlands. The High Peak area has seen a higher proportionate decrease than the Derbyshire Dales, although the HPDD Sub-Area has not achieved the same reduction as England, reflecting the relatively low level of unemployment in the HPDD Sub-Area.

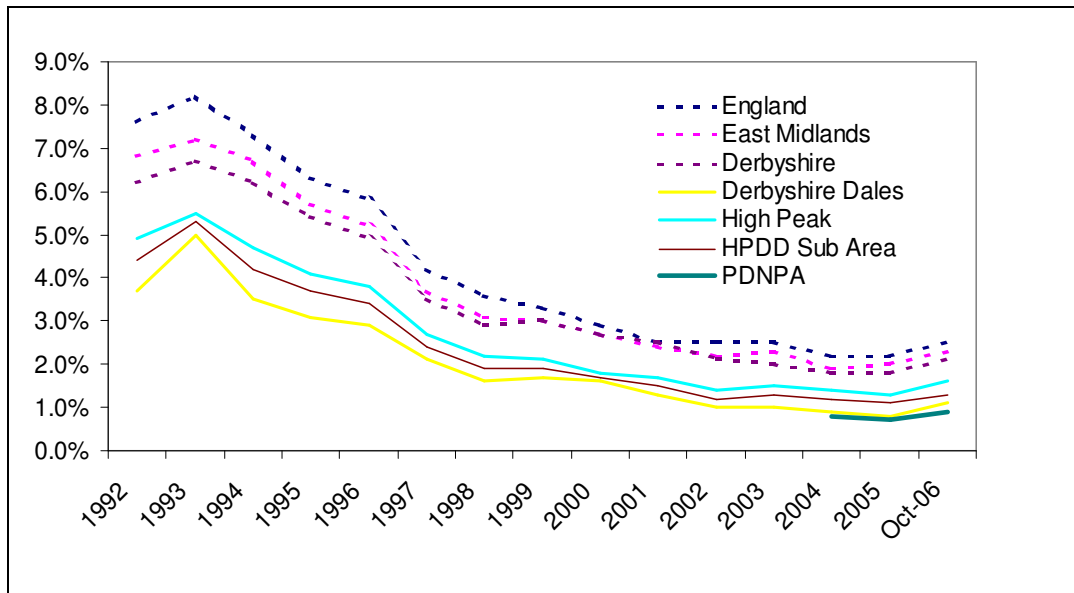
**Table 5.6: Unemployment Change between 1991 and 2001 (Source: Census)**

	High Peak	Derbyshire Dales	HPDD Sub-Area	Derbyshire	East Midlands	England	PDNPA
1991	2,700	1,600	4,300	26,900	160,900	2,108,100	800
2001	1,700	1,100	2,800	17,000	98,700	1,188,900	500
Absolute Change	1,000	500	1,500	9,900	62,200	919,300	300
% Change	-37%	-32%	-35%	-37%	-39%	-44%	-38%

5.31 An alternative measure of unemployment is the number of people claiming unemployment benefit (claimant count unemployment). However, due to restrictions in the length of time a person can remain on unemployment benefit, this figure is likely to understate the true level of unemployment, by omitting those who are long term unemployed. Figure 5.9 shows that the number of claimants as a proportion of the working-age population has declined significantly in all areas since 1992. The Derbyshire Dales, the High Peak and the National Park all have very low claimant count rates<sup>4</sup>. The rates are far below those for England, Derbyshire and the East Midlands. Given past performance, even if unemployment rises, it can be expected to remain below the levels recorded at county, regional and national level.

<sup>4</sup> The rate for the National Park is based upon a summation of smaller areas (wards), and is therefore not as significant as an analysis of local authorities. It should however be noted that the rate deviates by a very small amount (0.1%) and the trend showing low claimant count is therefore justified.

**Figure 5.9: Claimant Rate, 1992-2006**



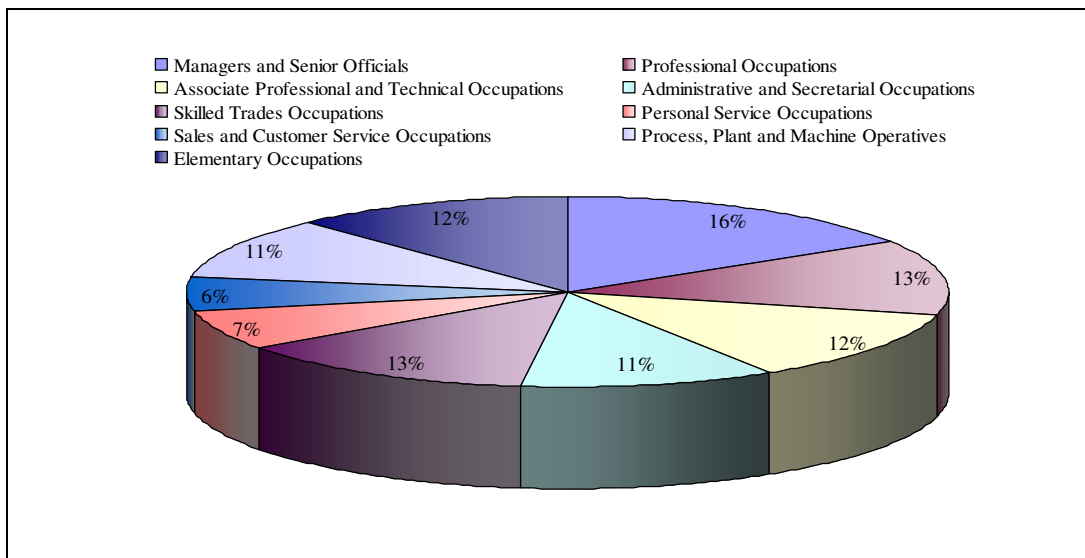
Source: NOMIS

### Occupational Structure

5.32

Figures 5.10 and 5.11 present the occupational structure for the HPDD Sub-Area. There is a fairly even spread of occupations within the HPDD Sub-Area, with a slightly higher proportion of managers and senior officials. Generally, there is a low proportion of individuals working in personal service occupations and sales and customer service occupations.

**Figure 5.10: Occupational Structure of HPDD Sub-Area, 2001**

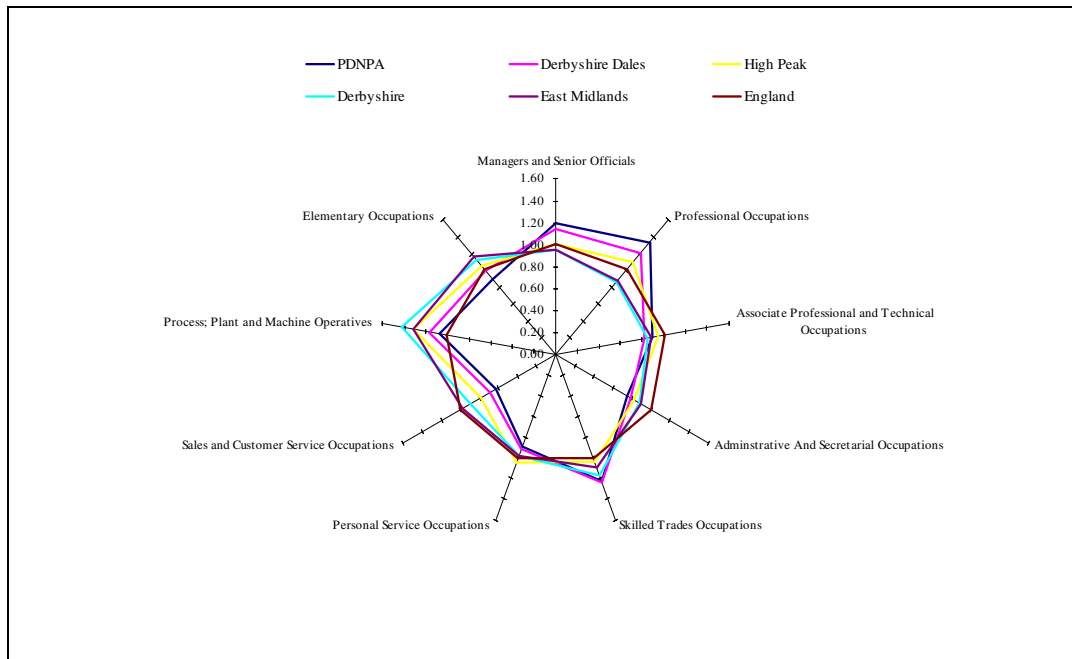


5.33

Occupational structure data can be usefully presented as a location quotient (Figure 5.11). Location quotients identify the relative concentration of each occupation type compared with the average for England as a whole for each area. A score greater than one indicates a relative concentration of employment, and a score less than one represents a relative scarcity of employment for the occupation type. The Derbyshire Dales has a slightly higher proportion of individuals working as managers and senior officials and professional

occupations, whilst the High Peak has a higher proportion of individuals employed in skilled trade occupations.

**Figure 5.11: Occupational Structure Location Quotients 2001**



Source: Census 2001

### Productivity and Output

5.34 Gross Value Added<sup>5</sup> is a key measure of the output generated within an area. Assessing GVA per head of a resident population is a useful benchmark for measuring the economic health and wealth of an area. Table 5.7, below compares the GVA per resident in south and west Derbyshire, with regional and national benchmarks.

**Table 5.7 –GVA per Worker and per Resident, 2003**

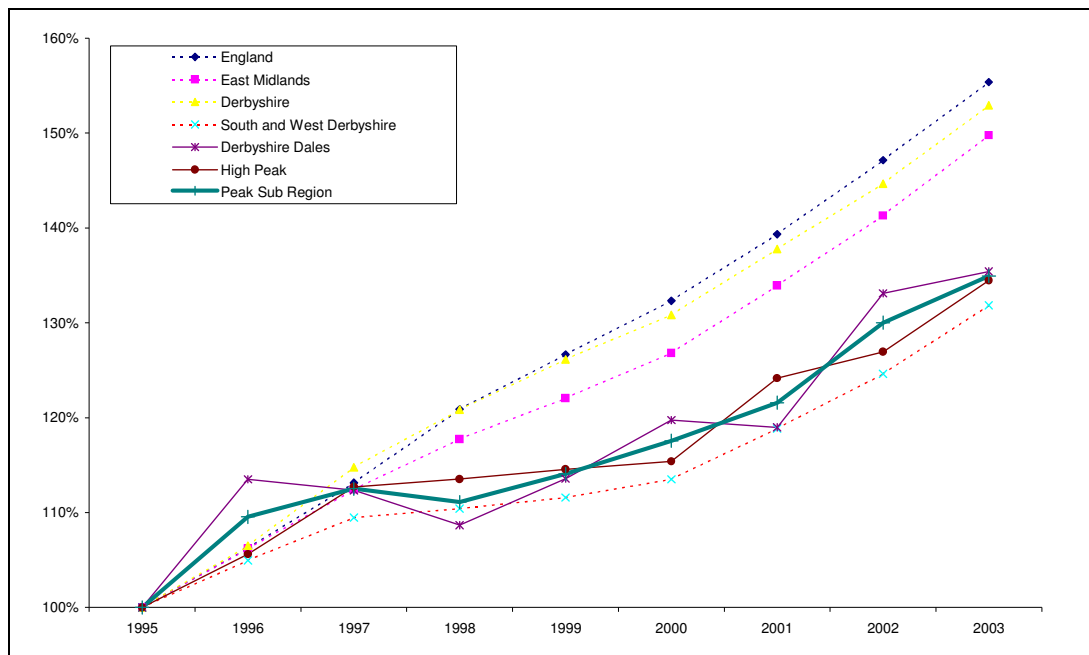
2003	GVA per Resident
South and West Derbyshire	13,065
Derbyshire	14,394
East Midlands	14,682
England	16,521

Source: ABI

5.35 Figure 5.12 shows that the total GVA in the HPDD Sub-Area areas increased by an estimated 35% between 1995-2003. This rate of growth falls below that experienced at a county (53%), regional (50%) and national (55%) level. GVA figures are workplace based (i.e. based on the Output produced at the workplace) output figures expressed as a value for each member of the resident population. The poor positioning and growth of the GVA of the HPDD Sub-Area reflects the high degree of out commuting in the Sub Area, the above average proportion of the population that is of retirement age, and the fast pace of growth of the retirement age section of the population relative to other areas.

<sup>5</sup> Gross value added is the difference between output and intermediate consumption for any given sector/industry. That is the difference between the value of goods and services produced and the cost of raw materials and other inputs, which are used up in production.

**Figure 5.12: Indexed Growth in GVA, 1995 – 2003**



Source: ABI

### Commuting

5.36 Commuting patterns confirm that there is a significant net outflow of workers from the HPDD Sub-Area (12,400 workers). According to the 2001 Census of Population, some 14,300 persons commute to work in the HPDD Sub-Area and 26,700 commute to work outside the HPDD Sub-Area.

5.37 Of those that live within the HPDD Sub-Area, a third (35%) of persons travel to work outside the area. The majority of the people commuting out of the HPDD Sub-Area travel to work outside of Derbyshire, particularly to the surrounding urban centres of:

- Manchester ;
- Stockport;
- Tameside;
- Sheffield.

5.38 The relationship between High Peak and Greater Manchester is particularly strong, with over 25% of the High Peak's workforce travelling to work within the Greater Manchester area. In contrast, travelling within the HPDD Sub-Area is limited, with only 2% of the High Peak workforce travel to work within Derbyshire Dales, reflecting the difficulty in commuting within the area.

5.39 The Derbyshire Dales workforce is more dispersed, with 6% of the workforce working in Derby, 5% in Sheffield and 4% travelling to work in High Peak. However, overall out-commuting from Derbyshire Dales is not dissimilar to High Peak (34% compared with 40%).

5.40 Taking the two districts together, of those that work within the HPDD Sub-Area, around three quarters (78%) also live within the area. This underlines the importance of the surrounding areas as a source of employment for residents of the HPDD Sub-Area. The areas of significant in-commuting which account for 12% of people working within the districts include:

- Amber Valley;
  - Chesterfield;
  - North East Derbyshire;
  - Tameside;
  - Stockport;
  - Derby.
- 5.41 In terms of in-commuting, Derbyshire Dales has a much stronger pull of workers from outside the HPDD Sub-Area compared with High Peak, with 32% of employees within the district commuting in. This may reflect Matlock’s status as administrative centre for both the District of Derbyshire Dales, and Derbyshire. The main sources of in-commuters are from neighbouring districts such as Amber Valley, North East Derbyshire and Chesterfield.
- 5.42 Of those that work within High Peak, over 80% are residents, with the most significant number of in-commuters travelling in from Tameside, Derbyshire Dales and Stockport; however, commuting from these areas account for only 11% of those working within the district.
- 5.43 In general, it is likely that levels of out-commuting from the HPDD Sub-Area will have increased since 2001, reflecting more rapid job growth in surrounding urban areas, particularly Manchester and Sheffield. In-commuting may have fallen as manufacturing jobs have fallen – but this depends on whether other relatively low paid jobs in the hotels and catering trades and the public sector are being filled by those working outside the area.
- 5.44 The proportion of persons working from home is higher in the HPDD Sub-Area than in the benchmark areas, particularly within Derbyshire Dales, and the figure is likely to have increased significantly since 2001 with the spread of broadband internet connectivity.

**Table 5.8: In and Out Commuting from the HPDD Sub-Area**

	<b>In Commuting</b>	<b>Out Commuting</b>
Total	14,300	26,700
To/From Derbyshire	6,900	5,800
Greater Manchester	3,100	12,400
Sheffield	800	2,300
Elsewhere	3,500	6,200

**Source:** Census 2001

- 5.45 According the 2001 Census, 6,800 persons commuted into the National Park to work, while 11,100 persons commuted out of the Park to work. A total of 11,600 persons both lived and worked in the Park. These figures suggest that some 37% of employees within the National Park are in-commuters, while a total of 49% of residents commute out of the Park to work elsewhere. The main destinations of out-commuters are:
- Sheffield;
  - Rest of Derbyshire Dales;
  - Rest of High Peak;
  - Rest of Macclesfield.

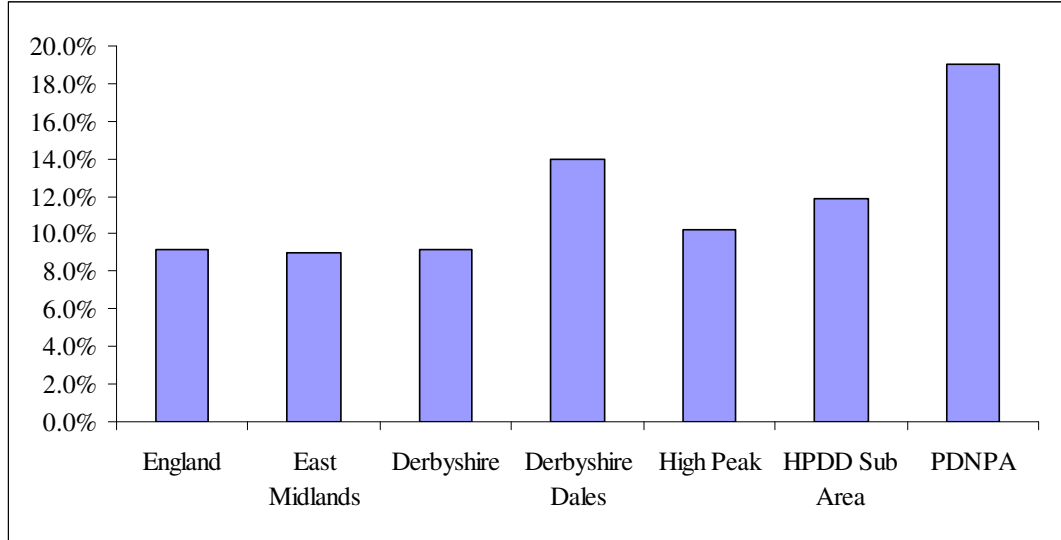
### **Commuter Distances**

- 5.46 The HPDD Sub-Area exhibits differences with the benchmark areas in terms of commuting. In particular, the proportion of persons working from home within the HPDD Sub-Area (12%) is significantly higher than in the benchmark areas. This is particularly notable for Derbyshire Dales, where 14% of people in employment are working from



home, and the Peak District National Park (including the parts that lie outside of the HPDD Sub-Area) where nearly 20% are working from home (See Figure 5.13). This contrasts with a level of 9% across the county, region and England.

**Figure 5.13. Proportion of Persons who Work from Home**

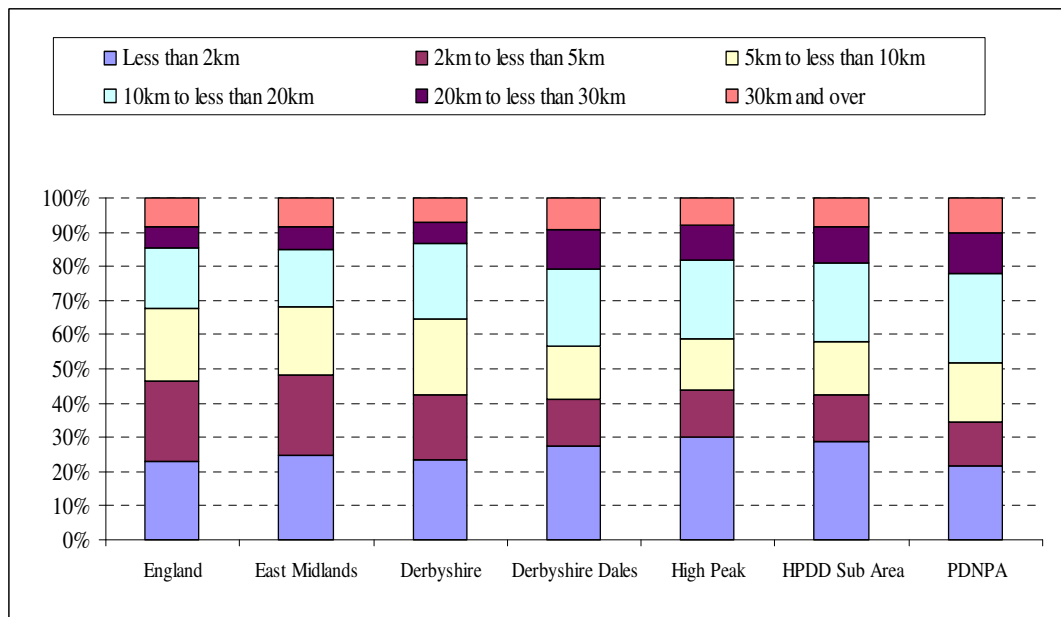


Source: Census 2001

5.47

For those who travel to work, commuter patterns within the HPDD Sub-Area exhibit several features see (Figure 5.14). Firstly, a relatively high proportion of people travelling to work are based less than 2 km from their place of residence (29%, compared with the England average of 23%). The Derbyshire average is much closer to the regional and national rates than the HPDD Sub-Area. The HPDD Sub-Area also has a relatively high proportion of residents who commute for more than 10km to work (42%) compared with the England average (32%). This is particularly the case for travelling over 20km. Residents within the National Park tend to travel further to work than average, with almost 50% of residents travelling more than 10km.

**Figure 5.14: Commuter Distances of Residents within the Benchmark Areas 2001**

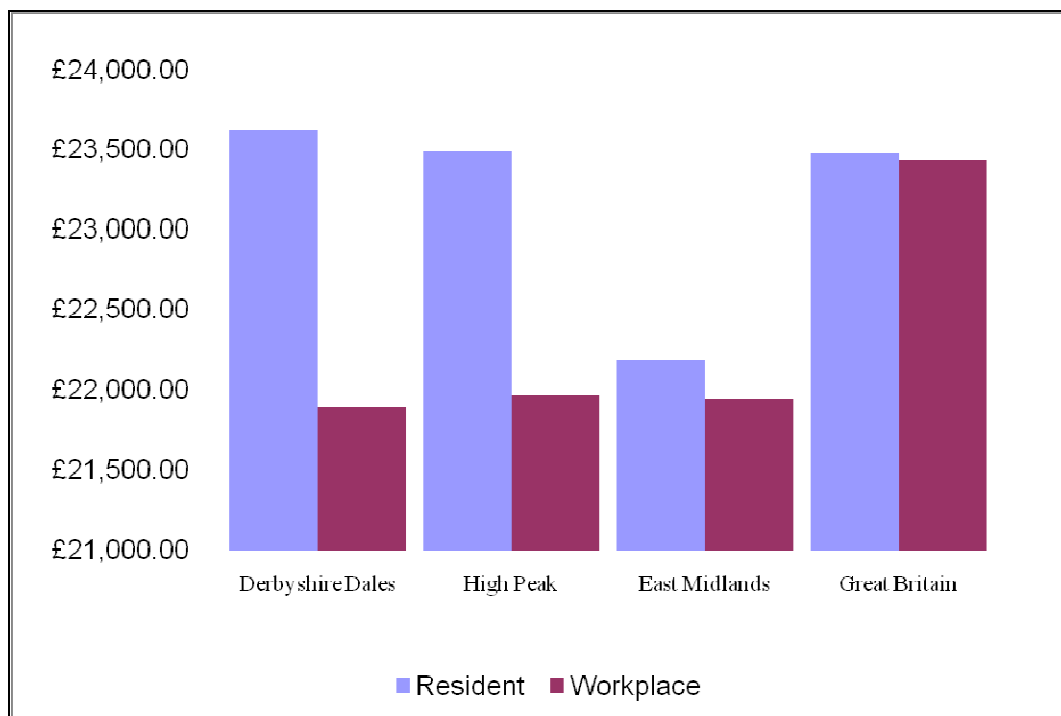


Source: Census 2001

## Income

- 5.48 Figures 5.15 and Table 5.9 present two different measures of income: gross weekly pay by workplace and gross weekly pay by residence.<sup>6</sup> Workplace pay shows the average pay within an area's workforce, whilst resident's pay shows the average pay of people who actually live in the area. These measures can vary because all people who work in an area do not necessarily live there, and vice-versa. Earnings, and household incomes, are fundamental determinants of the ability of households to access home ownership or the private rented sector.
- 5.49 Figure 5.15 indicates that average residence-based wages are higher than average workplace based wages in the HPDD Sub-Area, whilst in the wider East Midlands and Great Britain there is no significant difference. This highlights that people living within the HPDD Sub-Area (£23,622 and £23,493 for Derbyshire Dales and High Peak respectively) are higher earners than people working within the HPDD Sub-Area (£21,896 and £21,967 for Derbyshire Dales and High Peak respectively). The fact that there is net out-commuting suggests that this is because there is a significant number of people who commute out of the area to well paid jobs and that on average the jobs that those who commute out are more highly paid than those available in the HPDD Sub-Area.
- 5.50 The difference between workplace and resident pay in the HPDD Sub-Area is substantial and shows important differentials when compared to the regional average. The average wages of residents within the HPDD Sub-Area is above the regional average, whilst the pay of those working within the district is below the regional average. The biggest differential exists when looking at pay within the Derbyshire Dales district, where the average residents based pay is 10% more than the average workplace-based pay.

**Figure 5.15: Gross Annual Pay by Workplace and Residence, £s, 2006**



Source: ONS Annual Survey of Hours and Earnings (ASHE) 2006

**Table 5.9: Gross Annual Pay, 2006**

	Resident	Workplace
Derbyshire Dales	£23,622	£21,896
High Peak	£23,493	£21,967
East Midlands	£22,187	£21,946
Great Britain	£23,482	£23,444

Source: ONS ASHE 2006

5.51 Table 5.10 shows the shows residential and workplace earnings for the same areas in 2002, and Table 5.11 assesses the change over the period 2002-2006. Table 5.11 shows how the gap between workplace earnings and resident earnings in the Derbyshire Dales and High Peak local authority areas has closed slightly over the period, though Table 5.9b shows how a notable discrepancy still remains.

**Table 5.10: Gross Annual Pay, 2002**

	Resident	Workplace
Derbyshire Dales	£24,000	£18,675
High Peak	£21,926	£19,379
East Midlands	£19,513	£19,125
GB	£20,456	£20,435

Source: ONS ASHE 2002

**Table 5.11: % Change Gross Annual Pay, 2002 - 2005**

	Resident	Workplace
Derbyshire Dales	-1.6%	17.2%
High Peak	7.1%	13.4%
East Midlands	13.7%	14.8%
GB	14.8%	14.7%

Source: DTZ

### Index of Multiple Deprivation

5.52 The socio-economic characteristics of the sub-region manifest themselves in the levels of deprivation experienced across the area. Table 5.12 below presents 2004 IMD Rankings across the study area at a Local Authority area, whereas Figure 5.16 presents 2004 IMD Rankings at an Output Area level - the lowest area level for spatial analysis. Both districts that comprise the HPDD Sub-Area are among the less deprived areas within England according to an average of scores for each of the areas assessed in the IMD.

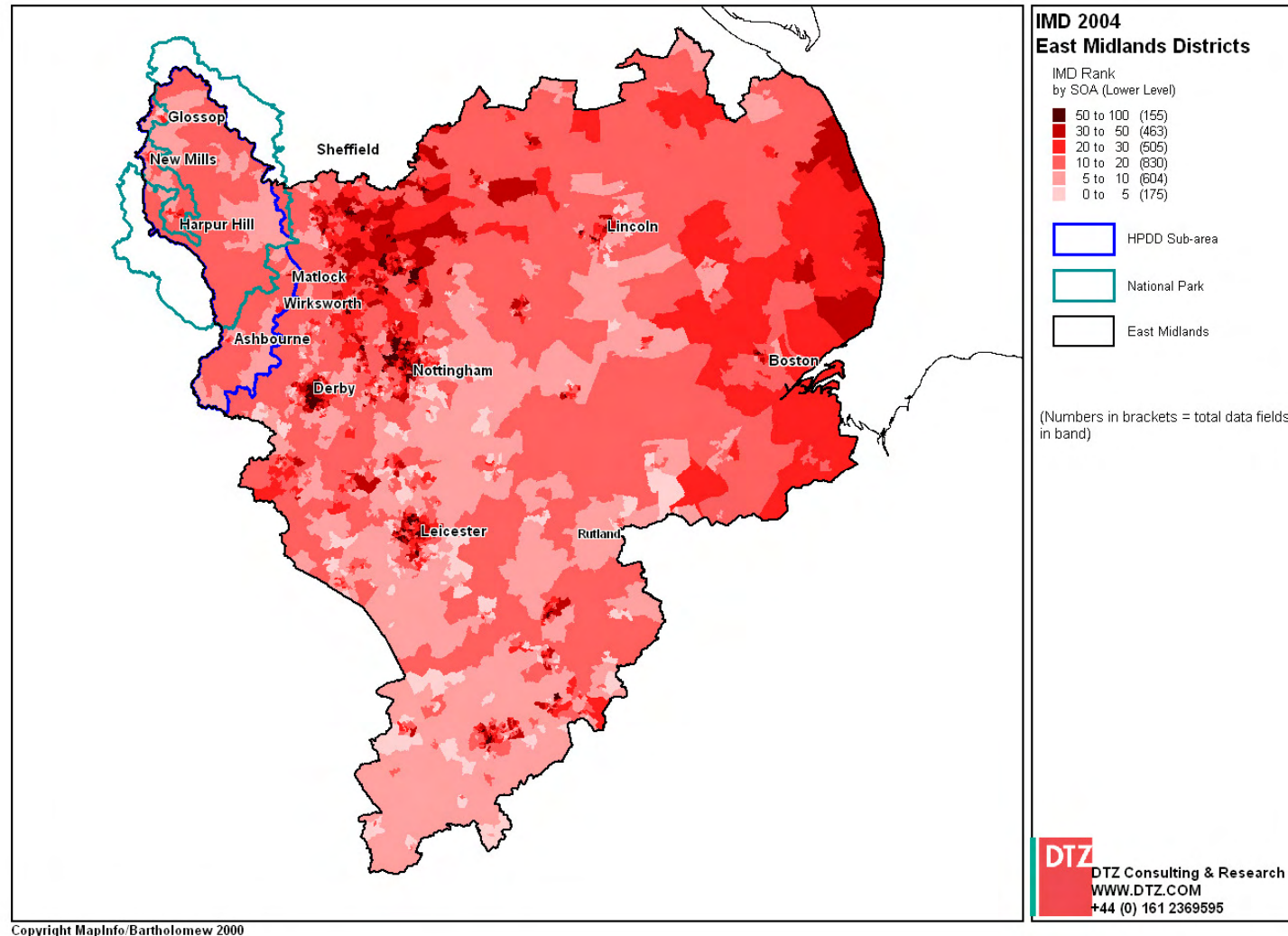
**Table 5.12: Index of Multiple Deprivation Rankings 2004**

Local Authority (LA) Area	IMD Rank of Average Score (1 being most deprived, 354 being least deprived)
Derbyshire Dales	252 (71% percentile – below average deprivation)
High Peak	211 (59% percentile – below average deprivation)

Source: IMD 2004, ODPM

- 5.53 Caution must be taken when observing the IMD in rural areas. The IMD is measured across seven different themes including income and employment. However, the IMD is partly ranked by access to services - meaning that some rural areas, despite being affluent, can rank as being more deprived than they actually area.
- 5.54 Figure 5.16 reflects the very low level of deprivation within the sub-region. Significant areas of deprivation within the East Midlands can be found within the former coalfields area of Derbyshire and Nottinghamshire, the coastal area and the cities.

Figure 5.16: Index of Multiple Deprivation Rankings 2004



Source: IMD 2004